

# North Lake Tahoe Tourism Business Improvement District (NLTTBID)

January 26, 2021





#### **Presentation Overview**

- County Partnership with the Resort Association
- Tourism Master Plan Funding History
- Transient Occupancy Tax in eastern Placer County
- Tourism Business Improvement District Details
- Multi-Year Agreement
- o TBID Schedule





# County – Resort Association Partnership

- Resort Association created in 1995
- Implemented a destination marketing program and recommended infrastructure and transportation investment in eastern Placer County
- Tourism Master Plan (TMP) created in 1996
- Guided Resort Association work and county investment in infrastructure and transportation
- Updated in 2004 and 2015





# **TOT Funding History**

- Countywide rate is eight percent
- Two percent rate increase for "North Lake Tahoe
   TOT Collection Area" passed by voters in 1996
- o Reauthorized in 2002 and 2012
- Additional funds invested in infrastructure and transportation services
  - o Trails
  - Expanded TART Service
  - Visitor-serving facilities
  - Recreation including parks and park facilities
- o Sunsets in 2022





Tier 1 & Tier 2 Priorities - Summary of Additional Funding Needs				
Priority		Annual		8 Year Estimate
Visitor Activities & Facilities	\$	7,096,250.00	\$	56,770,000.00
Transit	\$	3,100,000.00	\$	24,800,000.00
Marketing/Visitor Information	\$	2,200,000.00	\$	17,600,000.00
Total Additional Funding Needed	S	12,396,250.00	S	99,170,000.00





# **Updated Funding Gap Figure**

- County staff updated TMP project list in 2019
- List includes trails, transportation and other visitor-serving amenities
- Funding gap is >\$200 million over an eight-year period (Tier 1 and Tier II)
- Costs may continue to increase over that eightyear period
- Does not include housing





# Closing the Gap

- Resort Association contracted with Civitas Advisors, Inc. (Civitas)
- Civitas analyzed data from several business industries including lodging, retail, restaurants and recreation
- Worked with Resort Association to develop a Management District Plan for a proposed Tourism Business Improvement District





#### **TBID Details**

- 109 have been formed throughout California
- Formed through Property and Business Improvement District Law of 1994
- A TBID is not a tax
- Businesses are assessed
- Requires 50%+1 of the assessed businesses prior to formation
- Budget is developed and included in a Management District Plan





- Businesses assessed include lodging, retail, restaurants and recreation providers
- Proposed TBID spreads costs across several business sectors, not just lodging
- Impacts to residents is estimated to be \$25 \$30 annually
- Funds are locally controlled by a Board representing those businesses that are assessed, and cannot be diverted for other government programs
- TBID will have a 5-year life, can be renewed for a 10year period
- County will collect TBID revenues and remit to the Resort Association



# Business Community Feedback to Resort Association

- Resort Association board and staff met with several Resorts and business owners in North Lake Tahoe to discuss TBID
- Feedback from those meetings shaped the proposed Management District Plan and TBID budget
- Feedback also shaped the multi-year agreement between the Resort Association and Placer County

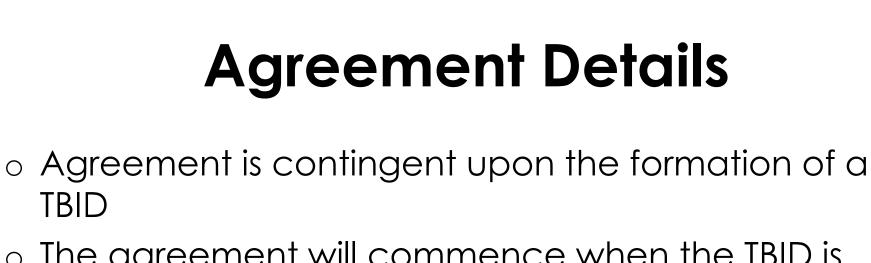




### **Agreement Points**

- Presented to your Board in September 2019 + approved in January 2020
- Agreement points included:
  - TOT allocated to the Resort Association contract will continue to fund projects and services in eastern Placer County
  - 2. Funds will support housing and transportation initiatives
  - 3. There will be local participation in prioritizing the allocation of these funds
  - 4. The agreement addresses any TOT increase





- The agreement will commence when the TBID is formed and end 5 years from that date
- The agreement may be extended if the TBID is renewed and the agreement is approved by your Board
- Resort Association board approved the agreement on January 14, 2019
- Annual follow-on contract for services







# Projected TBID Formation Timeline

✓ December 15, 2020

✓ January 15, 2021

o January 26, 2021

o March 9, 2021

o July 1, 2021

Resolution of Intention

Public Hearing Notice

**Public Meeting** 

Final Public Hearing

**Assessment Collections** 





### **Questions/Board Action**

